



STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION

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Office of the
Commissioner

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**Public Hearing – March 18, 2016
Government, Administration & Elections Committee**

**Testimony Submitted by Commissioner James Redeker
Department of Transportation**

S.B. No. 439 - An Act Concerning the State Contracting Standards Board and Requirements for Privatization Contracts.

The Department of Transportation (CTDOT) opposes S.B. 439, AAC the State Contracting Standards Board and Requirements for Privatization Contracts. If passed, the bill could seriously curtail CTDOT's ability to deliver its capital construction program in a timely fashion.

Sec. 5 revision to section (p) of Section 4e-16 of the CGS. This would now require CTDOT to do full business case (cost benefit analysis) on all privatization contracts over \$1,000,000. We currently are doing a cost benefit evaluation based on OPM's format. The new threshold would require a full cost benefit analysis for almost all of our consultant engineering contracts. If the methodology indicated that no savings are achieved by use of consultants, then we would have to provide a written report to OPM, explaining why we still want to enter into contract with the consultant. The process is time consuming and will delay projects.

Sec. 6 (r) new. This section places an unnecessary burden on the Department by requiring CTDOT to give collective bargaining agents 60 day notice before renewal of privatization contracts which are publicly available and posted on the state's contracting portal; this includes sec. (p), which includes our consultant engineering contracts. In addition, this provision will add 60 days to our process by requiring the development of the additional information to be provided to the Department's employees and then meet with the employees to discuss the day to day management of the Department's work. This provision, in essence, is management by committee, which will delay critical work of the Department by creating the potential for dispute as to whether the employees believe they could more appropriately do this work. The statutes governing collective bargaining already provide an avenue for labor and management to discuss and resolve disputes governing bargaining unit work. This provision will cause delay in the state's delivery of critical infrastructure projects.

Sec. 6 (s) new. The language in this section does not adequately account for the complexity of contracting for different types of projects and project delivery methods and would mandate that the Department, regardless of position count or budget, request additional staffing if a discreet portion of such work could be done "more cheaply" by state employees. The existing workforce constraints, hiring practices and limitations prohibit any reasonable way to accomplish this requirement and further it fails to account for contracting that encompasses an array of skilled labor rather than a discreet job class.

Sec. 6 (t) new. This section will require CTDOT to obtain approval by the Attorney General's Office (AGO) on all privatization contracts. This will undue all the work CTDOT has done with the AGO to establish pre-approved template agreements (templates do not require AGO signature) to streamline contracting processes and will add completely unnecessary steps and time to every project.

There is a place in most government, and Transportation is no exception, for both private and public service to coexist. CTDOT has always utilized pragmatic and cost-conscious practices of employing state workers and supplementing that work force with private contractors to achieve the optimal balance of permanent staff size based on the most probable forecast of long term funding and projects. In the end, we cannot and will not be completely dependent on either a state workforce or a consultant workforce.

For further information or questions, please contact Pam Sucato (860.594.3013) or C.J. Strand (860.594.3015) in the Department's Legislative Office.